## PUBLIC SERVICE ANNOUNCEMENT ADVERTISING SPACE INTERGOVERNMENTAL AGREEMENT

This Public Service Announcement Advertising Space Intergovernmental Agreement (the "Agreement") is made and entered into as of June 12, 2019 ("Effective Date") by and between the Chicago Transit Authority, a political sub-division, body politic and separate municipal corporation having its principal place of business at 567 West Lake Street, Chicago, Illinois 60661-1498 (the "CTA"), and the City of Chicago (the "City"), acting by and through its Department of Fleet and Facility Management, formerly the Department of General Services, located at 30 North LaSalle, Suite 300, Chicago, Illinois 60602 (the "2FM").

#### Recitals

WHEREAS, the Department of Fleet and Facility Management (2FM), now functions as the central place for the City's design and printing services, serving each content-providing department within the City with appropriate posters, publicity materials and public service announcements (such materials, collectively, "City PSAs"), and the 2FM also distributes City PSAs through various programs/messages/campaigns ("City Campaigns") to reach the residents of the City of Chicago; and

WHEREAS, the 2FM from time to time desires to place City PSAs onto CTA buses and trains; and

WHEREAS, the CTA has a design service staff that designs and prints appropriate posters, publicity materials and public service announcements for the CTA (such materials, collectively, "CTA PSAs"), and the CTA also distributes CTA PSAs through various programs/messages/campaigns ("CTA Campaigns") to reach the residents of the City of Chicago; and

WHEREAS, the CTA from time to time desires to place CTA PSAs onto City-controlled advertising panels; and

WHEREAS, pursuant to an agreement ("Decaux Agreement") between the City and JC Decaux, there are a large number of advertising panels ("Decaux Panels") located in or on bus shelters in the City limits; and

WHEREAS, pursuant to the Decaux Agreement, JC Decaux must accept "City Messages" for display free of charge at City-reserved advertising panels, and at unsold advertising panels; and

WHEREAS, the Decaux Agreement defines "City Messages" to include the CTA PSAs as well as City PSAs and public service announcements from the Chicago Park District, and the 2FM serves as the City's clearinghouse for all three types of PSAs to allocate the limited City Messages space that is available from time to time on the Decaux Panels; and

WHEREAS, the City and the CTA, in the spirit of intergovernmental cooperation, desire to barter with each other for access to available advertising space for City PSAs on CTA buses

and trains and for CTA PSAs on Decaux Panels from time to time, in support of various City Campaigns and CTA Campaigns; and

WHEREAS, Article 7, Section 10 of the Illinois Constitution of 1970 and the Illinois Intergovernmental Cooperation Act, 5 ILCS 220/1 *et seq*. (the "Act") authorize the City and the CTA to contract with one another to perform such undertakings as described herein; and

WHEREAS, the CTA is authorized to enter into this Agreement pursuant to an ordinance passed by the Chicago Transit Board on June 12, 2019, and the Commissioner of the 2FM is authorized to enter into this Agreement on behalf of the City pursuant to an ordinance enacted by the City Council of the City on November 2, 2011 that, among other things, transferred the authority of the Director of Graphic Services to the Commissioner of 2FM;

**NOW, THEREFORE**, in consideration of the promises and the mutual agreements herein contained, and for other good and valuable consideration, the parties hereby agree as follows:

- 1. <u>Incorporation of Recitals</u>. The recitals set forth above are hereby incorporated herein by reference and made a part hereof.
- 2. <u>Term of Agreement.</u> Unless terminated earlier at the request of either of the parties hereto, this agreement shall commence on the Effective Date and shall continue in full force for a period of one year from that date (i.e., until June 12, 2020).
- 3. Advertising Space for CTA PSAs on Decaux Panels. The 2FM agrees to provide the following to the CTA:
  - a) CTA will receive advertising space for its CTA PSAs on available Decaux Panels for one month in the General Market Network, involving only advertising space that has not otherwise been sold. All space would be allocated on a space-available basis on unsold Decaux Panels that are available to the City from time to time, which specific locations will not be known in advance.
  - b) Finished size of printed panel is 47" x 69".
  - c) CTA shall furnish designed campaign panels to the 2FM six weeks in advance for approval(s). Once approved by the 2FM, the CTA will be notified and the CTA can then secure printed panels to be posted. Panels need to be provided one (1) week in advance of posting.
  - d) All CTA PSAs under this Agreement must use the City's framing template, including the City seal, attached hereto and incorporated herein as Exhibit "A."
  - e) The barter value of the above advertising space is not to exceed \$392,952.50 as follows: \$51,870 / 33 shelter panels = \$1,571.81 per shelter panel for a 4 week period in the general market network {JC Decaux Rate Card} x 250 shelters = \$392,952.50

- **4.** Advertising Space for City PSAs on CTA Buses and Trains: The CTA agrees to provide the following to the City:
  - a) City will receive advertising space for the City PSAs on available CTA buses and trains, involving only advertising space that has not otherwise been sold. City PSA Car cards to be posted in the train cars must be printed on translucent polystyrene or Gilclear material. CTA or its advertising contractor will allocate all space for posting on a space-available basis. CTA will post the car cards within 15 business days of receipt with paid advertiser taking precedence.
  - b) All artwork for car cards must be submitted to CTA for review and approval six (6) weeks prior to desired posting date to ensure time for review and approval. Upon approval by CTA, 2FM is responsible for the delivery of all car cards to the CTA or its advertising contractor and at the location that CTA directs at least three (3) weeks and/or fifteen (15) business days prior to the respective posting date.
  - c) CTA will not be responsible for the timely posting of car cards if GRC does not adhere to timeframe stated above. If the car cards are received late, they will be posted within 15 business days of receipt, provided that the advertised event has not been held. Any late receipt shall not result in the rush posting of the car cards.
  - d) 2FM is responsible for all printing and production costs for the City PSA car cards.
  - e) The finished full size of all car cards must be 11" H x 17" W.
  - f) All City PSA car cards under this Agreement must be framed by one of the CTA's Co-Promotional Car Card Templates. The exact framing template to be used shall be determined solely by CTA. Samples of the framing templates are attached hereto and incorporated herein as Exhibit "B." As further depicted in Exhibit "B," the CTA's Co-Promotional Car Card Template is intended to frame the City PSA with CTA information, including but not limited to, the CTA's logo, website address, telephone numbers, and tagline such as the following: "Reduce your carbon footprint. Ride CTA to the (NAME OF FESTIVAL/EVENT)."
  - g) All City PSA car cards will be posted for four (4) weeks. All car cards must include the appropriate removal date(s), with the date posted on the bottom right corner of the car card. The removal date font size is 14. All car cards will be removed within ten (10) business days of the removal date shown on the car card.
  - h) The barter value of the above advertising space is not to exceed \$392,952.50 as follows:

Rail coverage: \$59 per car card; Bus coverage: \$42 per card; general market bus shelters for 4-week period = \$1,571.81 each x 250 = \$392,952.50

#### 5. Performance Responsibility to Other Party.

- a) Both parties shall perform in good faith under this Agreement, but neither party will be responsible to the other for adjustments or offsets if the proposed PSA materials are delivered late to the posting party, or if there are flaws in the PSA materials (such as incorrect size) that make it impossible for the posting party to post the materials.
- b) Should either party sell out of advertising space to third-party advertisers from time to time during the Term and therefore become temporarily unable to provide space to the other party to this Agreement, the parties shall have the right to refuse to post any PSAs for those particular CTA Campaigns or City Campaigns that would otherwise require advertising during the unavailable period. Both parties agree in good faith to provide clear notice to each other if such sold-out periods occur.

#### 6. Quarterly and Annual Reconciliations; No Rollover of Bartered Value.

- a) Once each calendar quarter during the Term of this Agreement, the parties shall, in good faith, reconcile on paper (spreadsheet or similar) with each other all use of advertising space for PSAs, all current or likely shortages or surpluses of advertising space, and all current or likely shortages or surpluses of bartered value. At the end of the Term of this Agreement, there shall be a final reconciliation on paper. All advertising space or bartered value that remains un-utilized or unspent as of the end of the Term of this Agreement is thereafter deemed forever waived, foregone and void, and unrecoverable by either party.
- b) There shall be no payments of money under this Agreement.

#### 7. <u>License to Use Sponsor's Names and Logos.</u>

- a) CTA hereby grants to 2FM, for the term of this Agreement, a limited license to use CTA's name, logo, trademarks, service marks and any other proprietary marks or copyrights now or hereafter owned by CTA, whether registered or owned under common law ("CTA's Proprietary Marks"), which may be used in connection with the Agreement in any advertising, promotion or communication that 2FM, in its reasonable judgment, determines is necessary or appropriate in order to publicize the events included in this Agreement, including but not limited to use of CTA's Proprietary Marks in conjunction with the marks of other event sponsors. 2FM shall not alter the CTA's Proprietary Marks. However, for purposes of this Agreement, sizing is not considered an alteration.
- b) The City hereby grants to CTA, for the term of this Agreement, a limited license to use the City's name, logo, trademarks, service marks and any other proprietary marks or copyrights now or hereafter owned by the City, whether registered or owned under common law ("City's Proprietary Marks"), which may be used in connection with the Agreement in any advertising, promotion or communication that CTA, in its reasonable judgment, determines is necessary or appropriate in order to publicize the events included

IN WITNESS WHEREOF, this Agreement is executed as of the day and year above written.
CITY OF CHICAGO, an Illinois municipal corporation, by and through its Department of General Services
David J. Reynolds Commissioner, Department of Fleet and Facility Management
CHICAGO TRANSIT AUTHORITY, a political sub-division, body politic and separate municipal corporation
Jeremy V. Fine Chief Financial Officer
Approved as to the form and legality, for the sole benefit of CTA. Subject to proper authorization and execution thereof.

Date

CTA Attorney

in this Agreement, including but not limited to use of the City's Proprietary Marks in conjunction with the marks of other event sponsors. CTA shall not alter the City's Proprietary Marks. However, for purposes of this Agreement, sizing is not considered an alteration.

- 8. Ownership Rights. Each party acknowledges and agrees that the other party is and shall remain the sole and exclusive owner of its Proprietary Marks. Each party hereto agrees and covenants that it shall use or reproduce the other party's Proprietary Marks without alteration or distortion, and when appropriate, the Proprietary Marks shall be accompanied by the applicable trademark symbol.
- 9. Entire Agreement. This writing constitutes the entire agreement between 2FM and the CTA concerning the subject matter hereof. As of the Effective Date, this Agreement supersedes and extinguishes any and all other prior and contemporaneous oral and written agreements or understandings between the parties relating to the subject matter hereof.
- 10. <u>Modifications and Waiver</u>. This Agreement may not be modified and none of its terms may be waived, except in writing signed by both CTA and 2FM. The failure of either party to enforce, or the delay by either party in enforcing, any of their respective rights shall not be deemed a continuing waiver or a modification of this Agreement.
- 11. <u>Force Majeure.</u> If for any reason, such as strikes, boycotts, wars, acts of God, labor troubles, riots, delays of commercial carriers, restraints of public authority, inclement weather, or for any other reason, similar or dissimilar, beyond its control, any party hereto is unable to perform its respective obligations in connection with the various summer festival or special events, such non-performance shall not be considered a breach of this Agreement.
- 12. Governing Law and Jurisdiction. This Agreement shall be governed by the laws of the State of Illinois, without regard to its conflict of laws provisions. The parties hereby submit, and will require any subcontractors to submit, to the original jurisdiction of those State or Federal courts located within the County of Cook, State of Illinois, with regard to any controversy arising out of, relating to, or in any way concerning the execution or performance of this Agreement.
- **13.** <u>Counterparts.</u> The Agreement may be executed in any number of counterparts, each of which shall constitute an original. Facsimile copies shall be deemed originals.

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# Exhibit A City's Framing Template



\* MAYOR RAHM EMANUEL \*

Exhibit B
CTA's Framing Templates
(See following pages)